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1981 HOUSING ELEMENT
CITY OF HUNTINGTON PARK

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HOUSING ELEMENT
OF THE
HUNTINGTON PARK GENERAL PLAN

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City of Huntington Park

April, 1981

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INTRODUCTION

BACKGROUND

The City of Huntington Park is located in the Los Angeles Metropolitan area in the hub of an area surrounded by the Harbor, Santa Ana, and Long Beach Freeways and Century Boulevard. The City consists of three square miles of predominantly developed land. The topography within the City and surrounding area is generally flat. Huntington Park was incorporated on August 31, 1906 with a population of 500 and by the late 1940's was almost totally developed. In the 1950's and 60's the City witnessed a steady transition to generally higher intensity uses; lots with older single family residences, especially in the western and northern portions of Huntington Park, have been gradually developed with additional units or replaced by higher density residential apartment structures.

The City contains more than 46,000 persons occupying about 798 acres of residential development. The residential districts are among the most densely populated in the Los Angeles County, approaching 58 persons per residential acre. Nearly, half the housing stock was built prior to 1940. About 74 percent of the occupied dwelling units are renter occupied.

A Housing Element was prepared and adopted as part of the Huntington Park General Plan on May 6, 1975, with revisions on June 10, 1975 and January 18, 1976. Subsequent review by the California Department of Housing and Community Development (HCD) resulted in the decision to revise the document.

AUTHORITY

The Housing Element sets forth the City's locally determined strategy to preserve and enhance the community's desirable residential character, upgrade deteriorated or deteriorating housing and neighborhoods, expand housing opportunities for all economic segments, and provide guidance and direction for local government decision-making in all matters relating to housing.

The Housing Element has been prepared in a manner to be consistent with State Housing Element Guidelines. The State has identified the Housing Element as a mandatory element since 1969.

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Section 65302(c) of the California Government Code states that the Housing Element will "... be developed pursuant to regulations established under Section 37041 of the Health and Safety Code, consisting of standards and plans for the improvement of housing and for provision of adequate sites for housing. This element of the plan shall make adequate provision for the housing needs of all economic segments of the community."

In 1971, the State Commission of Housing and Community Development adopted guidelines for the preparation of local housing elements. The Guidelines were revised in 1977, and the "Housing Element Manual" subsequently prepared in March of 1978. Both the Guidelines and the Manual, particularly the latter, outlines in detail the items to be included within the Housing Element. The guidelines required the following be addressed:

- Housing problems
- Housing goals
- Housing plan and program
- Housing element review and update process
- Relationship to other general plan elements

It became evident in discussions with HCD and the Office of Planning and Research that strong emphasis was being placed upon implementation of the plan, and identifiable and measurable goals and objectives. More specifically, the 1977 Guidelines require that a Housing Element consist of the following three components:

1. Analysis of Housing Needs: surveying the extent to which the existing housing supply falls short of providing all economic segments of the community with decent housing.
2. Comprehensive Problem-solving Strategy: a statement of goals, policies and priorities aimed at alleviating unfulfilled need, and remedying the housing problem.
3. Course of Action: specific description of actions the locality is undertaking and intends to undertake to achieve its goals, policies and priorities.

PURPOSE AND INTENT

The purpose of the Housing Element is to provide local government officials and citizens with an understanding of the housing needs of Huntington Park, and to

provide guidelines and direction to governmental decision-making in all matters relating to housing. In addition, the Housing Element is designed to promote close coordination of Huntington Park with its neighboring governmental entities (cities and county), regional, state and federal agencies and departments.

The following summarize the purpose and intent of the Housing Element:

1. To promote and ensure the provision of adequate housing for all persons regardless of income, age, race, sex or ethnic background.
2. To promote and ensure the provision of a varied housing selection by location, type, price and tenure.
3. To promote and ensure open and free choice of housing for all.
4. To act as a guide for municipal decisions and how these decisions affect the quality and quantity of the housing stock.
5. To develop a housing program that is consistent with and complementary to other general plan elements.
6. To accommodate the special needs of the elderly, handicapped or disadvantaged.
7. To provide the basis for the establishment of the necessary ordinances to implement a housing program.

ORGANIZATION AND METHODOLOGY

The State Housing Element Guidelines and the Housing Element Manual outlined recommended procedures to be used in the development of the Housing Element. The procedures and material to be included require extensive research, documentation, statistics and other data. The material is too extensive to be included entirely within this document--the material contained herein is directly applicable and, in some instances, summarized. More specific detailed data, sources and research techniques may be found in the "Background Report", preparation of which

preceded this document. From that extensive material, needs and constraints were identified, and an implementation program developed which is designed for the specific requirements of the City of Huntington Park.

The Housing Element is a five year program: the action program described herein are designed to provide a basis for achievement and/or evaluation through the year 1985. It is acknowledged that not all of the objectives will necessarily be met by 1986. Given ever-changing market conditions and new funding sources, the programs may be revised or omitted, or new programs and objectives may be adopted over the five-year period.

GOALS AND OBJECTIVES

STATE GOALS

The broad goal of the preliminary California Statewide Housing Plan is "the provision of a decent home and suitable living environment for every California Household." In addition, five subordinate goals address the following:

- Availability - To increase the availability of an adequate new housing supply, and a choice of housing opportunities, through private investment and public actions.
- Suitability - To support and provide incentives for the maintenance and rehabilitation of the existing housing supply.
- Affordability - To bring available housing within the economic means of all persons.
- Community Development - To provide strong community development and integration of housing with sound and adequate employment, services and community facilities.
- Accessibility - To provide equal access and opportunity for all.

The above goals and their accompanying State policies are consistent with Huntington Park's housing goals and objectives. The City of Huntington Park endorses and supports the goals outlined in Sections 6452, 6454, 6456, 6458 and 6460 of the Housing Element Guidelines. These goals are summarized below:

- Preservation of existing housing and neighborhoods.
- Preservation of affordable housing.
- Standards and plans for the provision of adequate sites for housing.
- Provision of accessible housing.
- Adequate provision for the housing needs of all economic segments of the community.

COUNTY AND REGIONAL GOALS

The Los Angeles County Housing Element and the SCAG Regional Housing Element have been reviewed. The City of Huntington Park concurs with the stated goals, policies and objectives contained in those documents. It is fully recognized that a regional approach to the housing problems within the community will require coordination and cooperation with neighboring cities, the county and regional organizations.

CITY GOALS

The following goals and supportive policies provide the basis of Huntington Park's housing program:

- Standards and Plans for the Improvement of Housing (Improvement of the existing Housing Stock)

GOALS:

- The absence of substandard dwelling units in the housing stock.
- A high level of maintenance and upkeep of the housing stock.

SUPPORTIVE POLICIES:

1. Pursue an aggressive rehabilitation, demolition and replacement program for substandard dwelling units.
2. Establish whatever regulations and enforcement procedures are necessary to ensure the proper maintenance of all residential dwelling units in Huntington Park.
3. Take actions aimed at the elimination of conditions detrimental to health, safety, and public welfare, through code enforcement, the State Housing Law, interim rehabilitation assistance, and other appropriate City regulations and activities.
4. Encourage and provide opportunities for citizen participation by neighborhood residents in rehabilitation activities.

5. Encourage new construction methods, materials, and housing types, to increase the supply of housing units.
6. Recognize innovations in building and planning technology and incorporate proven techniques and materials into the City's ordinances and codes, if beneficial.
7. Strive toward the coordination and uniformity of all regulations relating to housing to encourage the construction of homes for all income levels of the residents.
8. Encourage the consolidation of land holdings to facilitate modern planning techniques which provide more efficient use of land, recreation and open space amenities, and overall better quality development.
9. Cooperate with other agencies involved in the improvement of housing on the County and regional scales.
10. Support the development of cost saving and energy conservating construction techniques.
11. Encourage greater development and utilization of local, state and federal programs to ensure adequate funding of housing programs.

- Standards and Plans for the Improvement of Neighborhoods

- GOALS:

- The maintenance of sound and viable residential neighborhoods (decent, safe, and sanitary) and the rehabilitation of declining neighborhoods.
- A high level of public services and facilities for all households residing in Huntington Park.

SUPPORTIVE POLICIES:

12. Encourage the participation of citizens' groups to assure the responsiveness of housing programs.
13. Increase rehabilitation efforts in neighborhoods where needed and encourage property maintenance in all areas of the community.
14. Take actions aimed at the elimination of conditions detrimental to health, safety, and public welfare, through code enforcement, interim rehabilitation assistance, and related activities.
15. Give immediate attention to the protection of neighborhoods from excessive noise, through traffic, and incompatible or inappropriate uses.
16. Provide standards which will provide for adequate off-street parking space for automobiles and other types of vehicles, with safe access to streets and highways.
17. Encourage and support the efforts of county, regional, and state agencies in their work with taxing authorities to develop taxing programs that will encourage the upkeep of private property.
18. Encourage and participate in the conservation, physical improvement, and environmental enhancement of the City's neighborhoods.
19. Continue to make needed capital improvements, where appropriate, in order to stimulate rehabilitation and preserve the desirable residential character of the community.
20. Discourage clustering of low income and rental housing.
21. Adequate delivery of public services to all residents and especially to those currently lacking adequate facilities and services.

- Adequate Provisions for the Housing Needs of All Economic Segments

GOALS:

- A balanced housing stock of new and existing dwelling units that offers a wide range of housing types and sizes, with housing opportunities for all economic segments of the population (Note: Achievement of the goal will require increasing homeownership and providing additional middle income as well as senior citizen housing).
- Equal opportunity of choice throughout the housing market area for all residents regardless of race, creed, national origin or ethnic group affiliation.
- A variety of types and adequate supply of housing at costs acceptable to the various income levels of the residents.

SUPPORTIVE POLICIES:

22. Promote homeownership for all economic segments of the population, rather than rental housing, whenever possible.
23. Promote the construction of condominium and homeowner type dwelling units rather than additional apartment units.
24. Limit new residential development to a density of 20 units per net residential acre, but with the exception that housing for senior citizens may be developed at a density not to exceed 150 units per net residential acre.
25. Emphasize the role of the private sector in the construction of low and moderate income housing.
26. Encourage and assist in assuring open housing for all residents and households that seek or rent or buy housing in the City.

27. Strive for the most suitable balance of housing types and ownership characteristics in order to maximize neighborhood stability while providing a wide variety of housing choices and opportunities.

- Provision of Adequate Sites for New Housing

GOALS:

- A housing stock that varies sufficiently in cost, type and design, and is located to most adequately meet the economic, social, and mobility needs of all residents.
- The development of new housing only in locations that best utilize the City's existing community facilities and infrastructure, that are compatible with the surrounding neighborhood and land uses, and that avoid environmental hazards and detrimental influences on the adjacent neighborhood or the community as a whole.
- A balanced variety, in terms of location, size and price of new units added to the housing stock, but within appropriate limits of the potential amount of new construction.

SUPPORTIVE POLICIES:

28. Clear substandard housing from parcels to provide sites for new development.
29. Replace or rehabilitate substandard housing.
30. Encourage the consolidation of small parcels for the development of significant new residential projects.
31. Assist private developers to assemble and clear substandard, underimproved and blighted residential parcels for new residential development.
32. Assist private developers in identifying and preparing land suitable for new housing developments.

33. Ensure that condominium conversions and cooperatives are consistent with goals and policies of the City's Housing Element.
34. Support efforts of private lenders to provide alternative financing methods to make home ownership available to a greater number of households.
35. Encourage new residential construction in areas which will be adequately served by public services and facilities in accordance with local plans and programs.
36. Promote a high level of quality in all new residential construction, emphasizing owner-occupied development in order to maintain a long-term balance of lower-income and middle-income housing, as well as a range of rental and owner housing opportunities.
37. Develop and apply density and locational standards and guidelines which will help to ensure site suitability for the particular development, as well as determine total population and residential density.
38. Protect homogeneous single-family residential areas from apartment development encroachment.
39. Allow the conversion of land uses from single-family homes to higher density residential uses only in areas where the process is well underway or otherwise determined to be suitable and desirable.
40. Consider the factors of proximity to shopping, transportation, and other desirable facilities as a part of planning for and constructing housing for senior citizens and low income families.
41. To insure the fairness and adequacy of compensation and relocation assistance to persons and families displaced by public improvements or redevelopment activities.

The goals and policies by themselves do not adequately address the requirements of the Housing Element Guidelines. As previously noted, the Guidelines place particular emphasis on implementation. The Housing Element must demonstrate the willingness of Huntington Park to "... make a good faith, diligent effort to provide opportunities for and to facilitate maintenance, improvement and development of an appropriate variety and choice of housing for all economic segments of the community." To that end, the goals and policies outlined above are developed in the Section designated as Implementation Program, relative to specific actions which will be undertaken by the City.

DEMOGRAPHIC PROFILE

Statistical evaluations of housing and population characteristics are basic to all local planning and essential to the development of effective housing programs. The source of the information has been the 1976 Special Census, and in some cases the 1970 Census. When it has been feasible, the data has been updated using either straight-line projections or special study and analysis. Of particular note has been the recent housing unit counts conducted by W. Dean Brown (dated March 31, 1980). Projections through the year 1985 are based upon two sources: SCAG projections, and evaluation of redevelopment proposals of the City. The data is contained in detail in the "Background Report." The "Background Report" is designed to be updated at such time as the 1980 Census data is available.

The pertinent data specifically relative to housing is outlined in the following charts. Unless otherwise noted, the source of the data is the 1976 Special Census: ..

BACKGROUND DATA

Population Characteristics

Total 1980 Population ¹	46,083
1985 Population Projection ²	47,200
Persons in Group Quarters (1980)	176

Age of Population²

Under 20 years	8,960 (26.2%)
20-59 years	17,472 (51.8%)
60 years and over	7,312 (21.6%)

Ethnic Characteristics (1970)

White	15,982 (42.2%)
Black	488 (1.3%)
Spanish-surname	21,381 (56.5%)

Household Characteristics

Total 1980 Households ³	15,598
1985 Households Projection	15,898
Average Household Size	2.95
Large Families ²	3,608 (22.9%)
Elderly Households ²	5,130 (32.6%)
Female-headed Households ²	337 (2.1%)
Overcrowded Households ²	1,291 (8.2%)

Income Characteristics⁴

50% of County Median Income	7,893 (50.6%)
50-80% of County Median Income	3,931 (25.2%)
80-120% of County Median Income	2,932 (18.8%)
120%+ of County Median Income	842 (5.4%)

¹Preliminary 1980 Census figures.

²1970 Census

³W. Dean Brown

⁴Projected to 1980 utilizing 1975 information

HOUSING CHARACTERISTICS

Tenure

Total 1980 Units ¹	15,593
Owner ²	4,055 (26.0%)
Renter ²	11,543 (74.0%)
Vacant	702
Vacancy Rate	4.5

Condition³

Total Substandard	1,402
Units Needing Rehabilitation	125
Units Needing Replacement	85

House Value²

Type

Single family	8,000
Multiple family	7,682

To \$24,500	339
\$24,500 - 35,000	1,067
\$35,000 - 47,500	1,183
\$47,500 - 65,000	682
\$65,000 - 105,000	280
\$105,000 & Up	11

Age

Pre 1940	7,225
1940-1949	3,290
1950-1959	3,095
1960-1970	2,072

Rents²

\$0 - 165	7,510
\$165 - 230	3,757
\$230 - 280	582
\$280 - 365	91
\$365 & Up	96

¹ Preliminary 1980 Census

² 1980 estimate

³ 1976 Housing Survey by Urban Futures, Inc. The survey was based on exterior site inspections of each dwelling unit in the City. The 1978 Housing Assistance Plan (HAP), based upon a mathematical estimate, indicate a total of 4,883 units within Huntington Park are substandard of which 2,851 units are suitable for rehabilitation and 2,032 units need replacement. Given the physical inspections as well as the City's vigorous inspection program, the figures generated by Urban Futures, rather than the HAP figures, have been accepted as a more viable indicator of the housing condition within the City of Huntington Park.

TABLE 2
LAND USE

<u>Use</u>	<u>Existing</u>	<u>1985</u>
Single-family Residential	480.9	480.9
Multiple-family Residential	316.7	316.7
Commercial	144.5	144.5
Light Industrial	56.7	63.1
Heavy Industrial	163.5	167.9
Public/Institutional	116.7	116.7
Transportation, Communications and Public Utilities	583.0	583.0
Open Space	31.7	31.7
Vacant	12.8	0
Totals	<u>1,906.5</u>	<u>1,906.5</u>
 % Developed	 99.3%	 100.0%
 Households	 15,598	 15,698
Population	46,083	47,200

Note: 1985 is projected build-out date.

The additional dwelling units/population is based upon an estimated additional 200 dwelling units/being added as a result of redevelopment activities within the City.

HOUSING NEEDS

The critical housing shortage has made it increasingly difficult to produce affordable housing. Rapid population growth in the Southern California region has further contributed to the increasing need for a balanced ratio of home ownership and rental housing in all price ranges. Consequently, the provision of housing for all income groups is a major challenge for communities throughout the region. (Huntington Park has a particular compounding problem which is peculiar for the area: an abundance of housing in the lower price ranges. The City will need to provide housing in the middle-income ranges in order to provide a more balanced community). The need within the Community is not one of providing additional low cost housing units; but, rather, is one of a need to upgrade the existing housing stock (this point is discussed further below in "Fair Share Housing Allocation").

GENERAL NEEDS

The measure of success of a local housing element is its effectiveness in addressing housing needs. If a housing element, including its action programs, is to make adequate provision for the housing needs of all economic segments of the community, the dimensions and character of need must first be ascertained. Huntington Park's "fair share", as established by SCAG, and the demographic profile for the City, will together provide a general measure of nonmarket-rate housing needs.

A general goal of any residential community is the maintenance of a high degree of neighborhood quality and continued future stability. Huntington Park is a fairly old community; nearly half (46%) of the existing units were built prior to 1940, and most (67%) were built prior to 1950. As shown by the statistical profile of the City, minorities, elderly, large families and overcrowding are contributing factors to Huntington Park's housing problems. The primary need, however, is redevelopment of deteriorating neighborhoods and housing units.

As noted in the "Housing Characteristics" (Table 1) the City of Huntington Park has an extremely high percentage of renter occupied units (74%) as opposed to owner occupied units (26%). One may argue that this would indicate a need for emphasis on renter occupied housing programs. However, a major City goal and policy has been to encourage a more balanced community via promoting home ownership. As will be seen in the implementation section, this policy and goal is translated

into an emphasis on home-ownership programs. However, renter occupied programs have not been overlooked and several housing programs of the City dealing with improvement of the rental housing stock.

FAIR SHARE HOUSING ALLOCATION

The Housing Element Guidelines establish a fair share allocation process which will identify for each locality that portion of the affected market area households whose needs must be adequately addressed in the housing element.

As per the stipulations of Article 2, Section 6420 through 6436 of the California Government Code, the fair share allocations are to be made by the regional Councils of Government (COG's). The COG for the area within which Huntington Park is a part is the Southern California Association of Governments (SCAG) and the fair share allocation is contained in the Regional Housing Allocation Model (RHAM). The most recent updated RHAM (1978) allocates the following "fair share" for Huntington Park:

Households Needing Assistance	"Fair Share" Adjustment	Need Adjusted for "Fair Share"	Units Needing Rehabilitation
2,014	0	2,014	2,830

In summary, the RHAM identifies Huntington Park as a "Negative Allocation City." That is to say, Huntington Park is providing more than a fair share of low-cost units within the region. The need, therefore, is not to construct additional low-income units, but rather, to upgrade the existing housing stock and to provide low income assistance.

HOUSING CONSTRAINTS

MARKET CONSTRAINTS

A number of factors operate in the private sector which are obstacles to providing low-cost housing. The following represent generalized problems of the region as a whole, which apply to Huntington Park in some degree:

- Absentee Landlords -- often deteriorated units are renter-occupied. The absentee landlord may be difficult to locate or communicate with and may not have any interest in maintaining his property. Also, the tenants, not having equity in the property, cannot be expected to make excessive improvements or be totally responsible for maintenance.
- Inflation -- the costs of home production resources (lumber, cement, etc.) have been considerably higher than overall increases in wages. In addition, inflation has further driven-up the cost of maintenance and rehabilitation.
- Financing -- often new and higher loans with better terms are more readily available for new homes. In general, there tends to be an imbalance favoring new production over the conservation of existing homes. As noted previously, the cost of money in itself excludes many potential homeowners.
- Vacancy -- low vacancy rates, such as exist in Huntington Park and surrounding areas, will contribute to inflationary rent spirals.
- Illegal Aliens -- often illegal aliens, to avoid detection, will share living quarters. It is not uncommon to find two or more families sharing a unit designed for a single family. Also, substandard buildings are used to house aliens and landlords may be tempted to take advantage of their need to avoid detection.
- Condominium Conversions -- the conversion of apartments to condominiums resulted in a further decrease in the vacancy rate and displacement of families who cannot afford to buy. The City has a Condominium Conversion Ordinance which restricts conversion within the City. However, conversions in surrounding communities can be expected to have a "spill-over effect" on Huntington Park.

BUILDING COST INDEX

BASED ON THE COST OF BUILDING A SINGLE FAMILY DWELLING
OF MEDIUM QUALITY IN THE LOS ANGELES AREA AS REPORTED
BY THE APPRAISAL DEPARTMENT OF THE BANK OF AMERICA



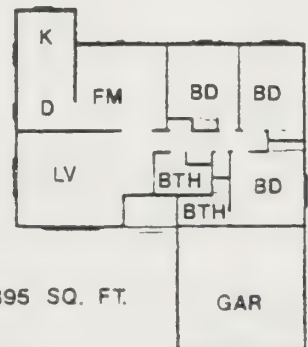
SPECIFICATIONS

Basic Construction:

- Foundation — Concrete
- Floors — Conventional wood frame
- Walls — Frame stucco exterior and interior partitions.
Some wood siding on front elevations.
- Roof — Wood cedar shingles

Interior Finish:

- Floors — Select oak linoleum kitchen and bath
- Walls — 3 coats enamel — kitchen and baths;
other rooms 2 coats flat
- Ceilings — Same as walls
- Heating — Forced air unit
- Baths — 1 1/2 — includes tile stall shower and shower over tub
with tile wainscot; pullman lavatory with tile countertops.
- Built ins — None



HOUSE - 1,395 SQ. FT.

GARAGE - 400 SQ. FT.

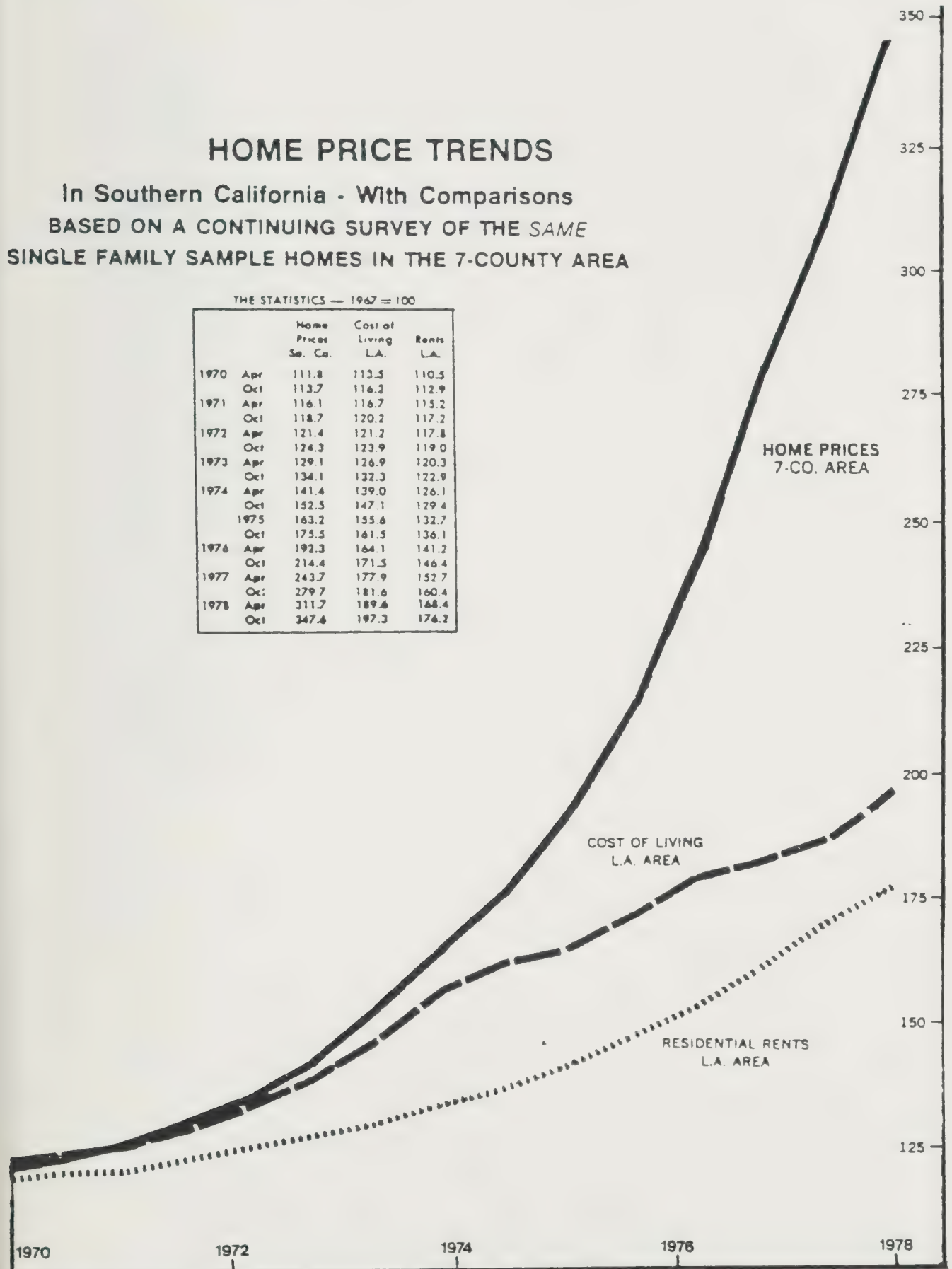
"NOTE: The Chart represents an average trend for the Los Angeles area and does not represent exact figures as they may specifically apply in Huntington Park."

HOME PRICE TRENDS

In Southern California - With Comparisons
 BASED ON A CONTINUING SURVEY OF THE SAME
 SINGLE FAMILY SAMPLE HOMES IN THE 7-COUNTY AREA

THE STATISTICS — 1967 = 100

		Home Prices So. Ca.	Cost of Living L.A.	Rents L.A.
1970	Apr	111.8	113.5	110.5
	Oct	113.7	116.2	112.9
1971	Apr	116.1	116.7	115.2
	Oct	118.7	120.2	117.2
1972	Apr	121.4	121.2	117.8
	Oct	124.3	123.9	119.0
1973	Apr	129.1	126.9	120.3
	Oct	134.1	132.3	122.9
1974	Apr	141.4	139.0	126.1
	Oct	152.5	147.1	129.4
1975		163.2	155.6	132.7
	Oct	175.5	161.5	136.1
1976	Apr	192.3	164.1	141.2
	Oct	214.4	171.5	146.4
1977	Apr	243.7	177.9	152.7
	Oct	279.7	181.6	160.4
1978	Apr	311.7	189.6	168.4
	Oct	347.6	197.3	176.2



SOURCE: REAL ESTATE RESEARCH COUNCIL OF SOUTHERN CALIFORNIA

"NOTE: The Chart represents trends based upon data for the entire Southern California region and does not represent home prices as specifically exist in Huntington Park."

- Speculation -- many homes and apartment buildings are bought for profitable resale after a short-term holding for appreciation. Speculation results in higher housing prices and rents.

On the foregoing, the most notable aspect of market constraints is the severe rise in housing costs, particularly in the Southern California region. The price increase trend took a severe upswing in 1974 and has increased considerably since, with home prices outdistancing the cost of living. Rents have been increasing, however, at a much lower and uniform rate. Rents remain below the cost of living index. The average price of a home in Southern California in April, 1980, was \$119,200.①

A survey was conducted in mid-August, 1980, of housing costs of dwellings currently on the market in Huntington Park. The prices range from a low of \$70,000 to a high of \$139,000. Generally, an averaged priced three bedroom home in Huntington Park currently costs between \$77,500 and \$82,500. Vacant single family residential lots range between \$24,000 and \$27,000.②

The cost of construction has been increasing, although at a more uniform and steady rate than housing costs. The average overall cost of constructing a new home was \$19,781 in 1972, and has increased to \$42,087 in 1978.③ The cost of building a home has risen 47 percent in the last five years, due to increases in labor, materials, fees and code requirements. However, the cost of new homes during the same period has risen over 150 percent.

① Real Estate Research Council of Southern California.

② Mr. Don Brabant, Brabant Realty of Huntington Park.

③ Real Estate Research Council of Southern California.

Typical costs-breakdown for a single family dwelling and a multiple family building are outlined below:

Single family:①

Direct Costs:	
- Land	\$25,000
- Site Improvements	2,000
- Construction (@ \$40/sq.ft.)	60,000
- Fees	800
Indirect Costs:	
- Financing	2,800
- Sales & Marketing	5,600
TOTAL	<u>\$92,200</u>

Multiple family:②

Direct Costs:	
- Land (one acre)	\$60,000
- Site Improvements	8,000
- Construction (@ \$35/sq.ft.)	560,000
- Fees	7,200
Indirect Costs:	
- Financing	21,000
- Sales & Marketing	42,000
TOTAL	<u>\$698,200</u>

Another factor in the cost of housing is the interest rate. The effective rate of mortgage loans in the Los Angeles area has increased from approximately 9 percent in 1974 to 14 percent in 1979. The current overall rate has fallen to approximately 12.5 percent, however, recent trends show another upswing is in progress. To demonstrate the impact of the interest rate increase, a \$60,000 note at 9 percent interest, amortized over a 30-year period would cost \$483 per month (principle and interest); the same amount at a rate of 12.5 percent would be \$640 per month.

① Based upon a typical 3-bedroom single family dwelling consisting of 1,500 square feet of living area and a two-car garage.

② Based upon a 20-unit apartment complex, each unit consisting of 800 square feet.

The components of rent are as follows:^①

Management and Administration	\$ 38.50	(11%)
Utilities	31.50	(9%)
Maintenance and Repair	21.00	(6%)
Taxes	49.00	(14%)
Insurance	7.00	(2%)
Debt Service	147.00	(42%)
Vacancies and Bad Debts	31.50	(9%)
Profit and Reserve	<u>24.50</u>	(7%)
TOTAL RENT	\$350.00	

GOVERNMENTAL CONSTRAINTS

Factors operating in the public sector which are obstacles to providing low-cost housing include the following:

- Zoning/Subdivision Ordinances -- in many cases delay and over-restrictive requirements drive-up the cost of housing. Sizes and densities are inappropriate, and design and improvement standards contribute considerable cost to the housing.
- Building Code Enforcement -- even though local agencies have building codes, often they do not have adequate comprehensive enforcement programs which would help to ensure the availability of more standard housing units, and the elimination of units which are dilapidated.
- Tax Disincentives -- Federal and State income taxes, particularly depreciation write-offs, often encourage the deterioration of property.

State Constitution -- Article 24 of the California Constitution requires in many instances a referendum for public housing. Thenecessary required votes are often difficult to obtain and have been the result of rejection of housing programs.

① The source is the President's Committee on Urban Housing. The data is based upon nationwide averages and is intended to demonstrate a general analysis of components of rent. It is acknowledged that the nationwide figures will not necessarily reflect the situation as it exists within Huntington Park.

- Intergovernmental Coordination -- housing is a regional problem. All too often there is a general lack of coordination and cooperation between the various levels of government and between neighboring communities.
- Property Taxes -- the passage of Proposition 13 has severely limited the ability of local governments to provide new infrastructure improvements and public services to support needed housing growth. The costs of providing infrastructure for new developments must increasingly be borne by private developers, who pass these costs on to the consumer in the form of higher housing prices.

As noted at the beginning of this section, the above may apply to Huntington Park in varying degrees. The City has undertaken a vigorous housing program in recent years including the updating of the building and zoning codes, a vigorous code enforcement program; on the average, the City has cited approximately 4,000 code deficiency cases per year, a significant number for a community which consists of under 16,000 dwelling units. Other programs which are currently being undertaken by the City are outlined in the Implementation Program section. In general, the City feels that the above constraints do not impose undue hardships nor impediment to the City's housing program. With respect to the City's vigorous municipal and building code enforcement program, the City feels that the program does not in any way result in increased rents or vacancies: the purpose of the program is to maintain rental housing in a safe and sanitary condition. The substandard dwellings must be either repaired or demolished. At such time as building owners are made aware of code deficiencies, they are also informed of low-interest improvement loans which are available.

IMPLEMENTATION PROGRAM

EXISTING PROGRAMS

The City of Huntington Park currently operates a vigorous housing program. As noted in previous sections, the City operates a comprehensive code enforcement and building inspection program which inspects and/or cites an average 4,000 cases a year. The following are projects/programs currently undertaken by the City to provide housing and improvement of existing housing stock:

- Demolition of Substandard Structures -- in 1979, the City took action to demolish 9 of the 10 identified structures most in need of demolition. Another 10 structures were demolished in 1980.
- Rebate Incentive Program -- authorized in 1979 with an appropriation of \$142,000 from Housing and Community Development Block Grant (HDBG) funds; the program is a 30 to 50 percent rebate on the cost of materials (labor and materials for senior citizens), up to \$3,500, for owner-occupied units in need of repairs in order to bring the structures up to building code requirements, more than 90 units have been rehabilitated.
- Deferred Payment Loan Program -- began in 1979 with CDBG funds of over \$250,000; the City loans up to \$10,000 at no interest for up to 10 years (or sale of property). Funds are for low and moderate income families and senior citizens to make needed repairs to their homes. Twenty-four families currently participate.
- California Housing Finance Agency (CHFA) -- a \$1.8 million State grant for loans to low and moderate income families for the purpose of: (1) home purchase - with 5% down at a below-market interest rate; (2) purchase with rehabilitation - 20% of the loan must be used for rehabilitation; and (3) refinance-rehabilitation. Fifteen units are being rehabilitated under the program.
- Title 1 Loan Program -- funds provided by the California Housing Finance Agency; a low interest loan to low and moderate income homeowners who need to borrow between \$3,500 and \$15,000 to do rehabilitation work. The loan is for a period of up to 15 years with no pre-payment penalties. Two applications have been approved to date.

- SB 966, Deferred Loan Program -- \$50,000 housing rehabilitation grant. A deferred loan of up to \$5,000 for five years at 3% interest. The loans are available to participants in the City's Deferred Payment Loan Program.
- Condominium Conversion -- The City has adopted an ordinance regulating condominium conversions which incorporates various development standards as well as effects on existing tenants and effects on the rental housing market. The ordinance is designed to maintain dwelling unit standards and to prevent undue dispersal of tenants. No apartment buildings have been able to meet the strict ordinance requirements, and to date no condominium conversions have been processed.
- Redevelopment/Relocation Assistance Project -- a \$300,000 HUD grant to remove blighted conditions, assist families to acquire housing, remove dwellings and relocate households from detrimental environmental conditions.
- Residential Condominium Project -- a Redevelopment Agency project in the CBD Redevelopment Project Area; 140 townhouse condominiums on 7.25 acres. The anticipated selling price of the units is \$78,500 to \$90,000 with 11% mortgage rates.
- Section 8 -- existing rent assistance. 81 units.
- Section 236 -- 186 units.

PROPOSED PROGRAM

As noted above, the City of Huntington Park currently operates a vigorous housing program. It is proposed that the programs outlined above form the basis for the City's continued actions relative to housing. In accordance with the objectives of the Fair Share Housing Allocation Model and the situation within the City of Huntington Park, the emphasis is on housing rehabilitation. The following summarizes the proposed Huntington Park Housing Program for a five-year period (1980-1985): *

*Note: The Huntington Park Community Development Department encompasses in a unified manner the functions of long range planning, zoning, building permit issuance, building inspection, housing programs and redevelopment. Unless otherwise noted, the "Responsible Agency" for implementing each program is the City Community Development.

I. IMPROVEMENT OF EXISTING HOUSING STOCK AND NEIGHBORHOODS

- Action: Continue those programs outlined above with exception of the CHFA and Title 1 Loan Program, both of which are ending this year.

Financing: City Budget, State and Federal grants.
Schedule: Continuing.
- Action: Pursue Section 312 and Marks-Foran Bonds to upgrade existing housing which does not meet code requirements.

Financing: Section 312 and Marks-Foran Bonds
Schedule: 1980-85.
- Action: Develop an occupancy inspection ordinance for City inspection of a dwelling upon sale to determine if the structure is to code.

Financing: Inspection fees.
Schedule: Early 1981.
- Action: Conduct a "windshield survey" to determine which dwellings have potential maintenance problems.

Financing: City Budget.
- Action: Demolish approximately 100 substandard dwellings and relocate the displaced households from blighted to adequate housing.

Financing: Community Development Block Grant, funds from the Redevelopment Agency, and City Budget.
Schedule: 1980-85
- Action: Relocate and rehabilitate 12 substandard dwellings (renter occupied) from blighted areas to adequate locations in the City and/or housing market area.

Financing: Community Development Block Grant, and funds from the Redevelopment Agency.
Schedule: 1980-83.
- Action: Continue a bi-lingual program of promotional and educational services relative to available housing rehabilitation, rent subsidy and home purchase programs.

Financing: City Budget.
Schedule: 1980-85.

PROVISIONS OF ADEQUATE SITES FOR NEW HOUSING

- Action: Investigate the feasibility of permitting a waiver of development fees for private projects participating in an affordable housing program.
Financing: City Budget.
Schedule: Early 1981.
- Action: Apply for funding for assisted housing through the Section 8 New Construction for families and large families.
Financing: CDBG Funds
Schedule: 1980-85
Responsible Agency: Community Development Department and County Housing Authority
- Action: Apply to FHA for a reservation of mortgage funds for new construction under the Section 235 program.
Financing: CDBG funds.
Schedule: Mid-1981
- Action: Increase the percentage of single-family (detached) dwelling units and condominium units as a proportion of all new construction in the City. The objective is 90 percent of all new dwellings. This will require modifications to the Zoning Code by the City; and, in some cases, financing of construction by the Redevelopment Agency.
Financing: Funds from the Redevelopment Agency and City Budget.
Schedule: 1980-85
- Action: Construct 300 new single-family and/or condominium dwellings in the Central Business District and North Redevelopment Project Areas.
Financing: Tax Allocation Bond Issues, and Residential Mortgage Revenue Bond Issues.
Schedule: 1980-85.

PROVISION OF HOUSING FOR ALL ECONOMIC SEGMENTS

- Action: Deposit City funds only in lending institutions that comply with the Community Reinvestment Act.
Financing: N/A
Schedule: On-going.
Responsible Agency: City Administrative Officer and City Treasurer
- Action: Conduct a city-wide survey of rental housing suitable for handicapped and elderly occupants; maintain a directory of such housing.
Financing: CDBG Funds
Schedule: Late 1981.

- Action: Construct 170 to 250. Section 8, dwellings for senior citizens in the Central Business District Redevelopment Project Area.*
- Financing: Funds from a private developer, a Section 8 allocation from the U.S. Department of Housing and Urban Development, and funds from a Tax Allocation Bond Issue.
- Schedule: 1980-85
- Responsible Agency: City Community Development Department and County Housing Authority
- Action: Increase the percentage of owner-occupied dwellings from 24 percent to 30 percent.
- Financing: Funds from California Housing and Financing Agency, funds from the Redevelopment Agency including Tax Allocation Bond Issues and Residential Mortgages Revenue Bond Issues, and Community Development Block Grant Funds from the Federal Government.
- Schedule: 1980-85

ADDITIONAL ACTIONS

The following additional actions are recommended to implement the Housing Element. Wherever possible, the primary responsibility, funding source, and implementation time-frame for each action is indicated. Many actions may require additional state or federal funds for implementation.

1. The City of Huntington Park will continue to monitor private investment and fair lending practices in mortgage deficient areas and bank public funds with financial institutions which affirmatively support these neighborhoods.
2. The Community Development Department, working with a variety of City Departments, will enforce the City's building and safety health, fire, housing and zoning codes on a compliant basis community-wide and utilizing CDBG funds through systematic and concentrated inspection within Neighborhood Strategy Areas.
3. The Community Development Department will survey and notify property owners of buildings which are seismically, potentially hazardous by June, 1982.
4. The City will support additional State and/or Federal legislation to provide additional financing assistance for concentrated local code enforcement.

* Note: The project is expected to meet the housing needs of Senior Citizens within Huntington Park. The bulk of this implementation package is aimed at small and large families where the greatest need rests. The affordability needs within Huntington Park, as defined by HUD, indicate that of all lower income households, 36% are comprised of elderly and handicapped, 53% are small families, and 11% are large families. The City will continue to make every effort to meet the proportion need of all groups relative to the "Fair Share Allocations" as discussed on page 19.

5. The Community Development Department and Redevelopment Agency there will continue on-going programs of assisting developers in site selection and utilization of existing federal and state programs to construct or rehabilitate units for low and moderate income housing -- housing selling for less than \$100,000 per unit.
6. The Community Development Department will complete a study to determine what incentives for the private development of low and moderate income housing would be feasible in Huntington Park before July, 1981.
7. The Community Development Department will administer and implement CHFA's Home Ownership and Home Improvement Loan Program during fiscal year 1980-81. Additional funds will be applied for as they become available. The program will provide below market interest rates for mortgage assistance and rehabilitation loans.
8. The Redevelopment Agency will inventory and rank appropriate sites for new housing based on site selection criteria contained in the Housing Element and redevelopment plans before November, 1981.
9. The Community Development Department, utilizing CDBG funds, will continue to administer and provide low-interest rehabilitation loans in target CDBG preservation areas so that at least 75 property owners participate per program year.
10. The Community Development Department, utilizing CDBG funds, will continue to administer and provide rebates to property owners for eligible home improvements within target (CDBG) areas and City-wide for those of low and moderate income achieving participation of at least 12 property owners per year.
11. The Community Development Department, utilizing CDBG funds, will continue to administer and provide grants to senior citizens and low and moderate income homeowners for minor rehabilitation and critical home maintenance work assisting at least 25 senior citizens per year.
12. The Community Development Department, utilizing CDBG funds, will continue to administer and provide for the installation cost of dead bolt locks and smoke alarms when done in conjunction with any of the department's rehabilitation programs.

13. The City will continue to contract with the Los Angeles County Housing Authority to administer the City's existing/Section 8 Program.
14. The City will encourage HUD to raise "fair market rent" levels and allocate 100 additional units to the City under the existing Section 8 Program over the next five years to encourage greater participation and dispersal of assisted units. The City will also seek assistance for 250 senior citizen units under the Section 8 New Construction program over the next five years.
15. The City, utilizing CDBG funds, will continue to remove architectural barriers to the handicapped at or adjacent to community facilities.
16. The City will reapply in 1981 for a fund commitment from the Department of Housing and Community Development under its Deferred Payment Rehabilitation Loan Fund.
17. In support of the City's housing rehabilitation and code enforcement efforts within neighborhood strategy areas, a senior citizen outreach program administered by the Community Development Department utilizing CDBG funds will begin in fiscal year 1980-81.
18. The Community Development Department, during 1981, will continue to consolidate building plan check and residential zoning compliance procedures to expedite processing of development applications and to minimize duplication of effort.
19. The Community Development Department will continue to provide accurate and prompt information to contractors, architects, and property owners regarding building, zoning, energy and safety requirements.
20. City departments will continue to coordinate capital improvement plans, placing priority on the special needs of areas designated for revitalization.
21. The City will complete a senior citizen center, principally benefiting low and moderate income residents by January, 1982.
22. The Community Development Department will make specific recommendations on possible ordinance revisions to regulate condominium conversions and cooperatives by July, 1981. Special attention will be placed on ensuring adequate physical development standards, proper tenant notification, and maintaining the City's mix of owner/rental housing.

23. The City will promote the compatible integration of older, commercial strips with adjacent housing through code enforcement, commercial rehabilitation activities and the City's Land Use Element.
24. The Redevelopment Agency will investigate the feasibility of issuing a second tax exempt revenue bonds for low-interest residential mortgage loans before 1982.
25. To improve the quality of residential neighborhoods and commercial districts, the Planning Commission and City Council will complete a study on possible revised site development standards in the City's multiple family zones before January, 1980.
26. The Community Development Department will encourage property owners participating in the City's rehabilitation programs to utilize the most cost effective and energy conserving construction and rehabilitation techniques available (i.e., home insulation, solar energy, building orientation).

Noted on several occasions throughout this document is the City's vigorous redevelopment activities. A cursory evaluation indicates that there will be some 2,400 new jobs created within the City over the course of the redevelopment projects life. This creation of new jobs will in turn create new demands for housing throughout the area. In addition to manufacturing and commercial, redevelopment will result in new additional housing units. It is acknowledged that not all of those who will be filling the new job positions will choose to reside within Huntington Park, however, every effort is being put forth to satisfy the additional housing demand within the City.

HOUSING SITES

Huntington Park is over 99% developed, and the very small amount of vacant land remaining is zoned and/or master planned for industrial and other uses. Hence, sites of future housing within the City will depend heavily upon the City's vigorous redevelopment activities. There are three redevelopment project areas in the City; the following outlines each area:

PROJECT AREA:	INDUSTRIAL	CBD	NORTH
Size:	204 acres	150 acres	315 acres
Zoning:	M-3,M-2	CBD,CG,CP,R-4	R-3,M-2,CG
Existing Dwellings	2	1,200	1,500
D.U.'s to be demolished	2	85	250
D.U.'s to be built	0	140	440
D.U.'s total net gain/ loss	-2	+55	+190

In accordance with Section 6456 of the Housing Element Guidelines, housing sites will be provided in suitable locations. Criteria for judging site adequacy are outlined on page 37.

GENERAL PLAN CONSISTENCY

Section 65300.5 of the California Government Code mandates that housing elements be consistent with the California State Housing Plan. Section 50453 of the Health and Safety Code states that the State Housing Plan must provide a data base and serve as a guide for local Housing Elements. The State Housing Plan has been closely reviewed and every effort has been made to be consistent with that plan.

Government Code Section 65300.5 requires that the Housing Element be consistent and compatible with all the other General Plan elements. That section states: "The legislature intends that the General Plan, the elements and parts thereof comprise an integrated, internally consistent and compatible statement of policies for the adopting agencies."

In order to meet the goals and objectives outlined within this plan and in order to effectively carry-out the action programs, it may be necessary to rezone property to a higher density residential use. At such time as a specific site may be designated within the City, the Land Use Element, Zoning and other affected General Plan Elements and City Ordinances will be evaluated and, if required, amended to reflect consistency.

CITIZEN PARTICIPATION

The Housing Element Guidelines state that "... the housing element shall be developed through a decision-making process which is accessible to and directly involves all economic segments of the community. Effective citizen involvement requires that citizens be kept informed as the Housing Element is developed and be provided opportunities to review and comment on the element as it is being prepared."

Citizen participation gives the City's residents a participatory role in property maintenance and future orderly development in their community. Such involvement is both necessary and vital in order to produce a viable and successful program. By means of such an input process, local citizens can become involved in their future and the future of their neighborhood rather than just being recipients of housing and from some vague and detached governmental source. Citizens are encouraged to participate and take an active role in programs. Such input can be accomplished through a number of participatory methods, including: organizations, schools, PTA's, tenant and/or homeowner groups.

An integral part of developing Huntington Park's Housing Assistance Plan delineated the mandatory participation and input of a Citizen's Advisory Committee. This citizen group met on a number of occasions to provide local interest in the formulation of programs concerning the community's involvement in the 1974 Federal Housing and Community Development Act. Such participation allowed for citizen involvement in the formulation of this element, and future resident input is also anticipated in the City's review and adoption procedures concerning this element. The public hearing process affords additional citizen involvement at both the Planning Commission and City Council levels of government, thus balancing private and public sector interest. In addition, since redevelopment will play a vital role in implementing the Housing Element, the Project Area Committee have played, and will continue to play, an important citizen input role. An important on-going citizens' committee is the Housing and Community Development Committee, a five-member board appointed by the City Council for the purpose of reviewing housing programs.

SERVICES

In accordance with Section 6456 of the Housing Element Guidelines, housing sites will be provided in suitable locations. Criteria for judging site adequacy is outlined in the "HUD Site and Neighborhood Standards for New Construction Projects" (Section 880.206). Some of those standards include:

- Adequate in size to accommodate the number and type of units proposed.
- Proximity to services and facilities such as streets, sewers, water, electricity, telephone, schools, parks and public transit.
- Facilitate and further compliance with the Civil Rights Act of 1964 and subsequent related acts, executive orders and federal regulations.
- Avoid concentration of assisted persons in areas containing a high proportion of low-income persons.
- Free from adverse environmental conditions such as flooding, unstable soils, harmful air pollution, excessive noise and fire hazards.
- Accessible to social, recreational, educational, commercial-health and other municipal facilities and services.

The City herein states its commitment to the above mentioned standards and further states its commitment to providing fair and open housing to all ethnic groups.

MANUFACTURED HOUSING

Recently, the State has enacted legislation relative to the provision of affordable housing. Two acts in particular were enacted: AB1564 and SB1960. AB1564 became effective on January 1, 1980, and requires housing elements to consider manufactured housing as a possible tool in the provision of affordable housing. SB1960 will become effective on July 1, 1981, and will require cities and counties to develop ordinances which will allow the placement of mobile homes on parcels zoned for single-family residential. As previously noted, the City of Huntington Park is over 99 percent built-out and all of its residential land is developed. However, given the possibility of future changes of zone or demolition of existing residential structures, the City acknowledges the aforementioned legislation, endorses same, and the appropriate ordinances will be developed to permit the placement of manufactured and mobile homes on lots subject to architectural and design review by the City Planning Commission.

HOUSING ELEMENT REVIEW AND UPDATE PROCESS

In order to keep the Housing Element current, it will be the intent to periodically review and update the document. The document, in terms of its programs, is a five-year plan. It would be reasonable to review the document every two years, with a major review, evaluation and update occurring at the end of five years, particularly with respect to the housing allocation as stipulated in the SCAG RHAM. Of concern is the generation and incorporation of more up-to-date data -- the 1980 Census has been completed, but the data was not available at the time of preparation of this document. With primary emphasis on implementation, it is anticipated that the Housing Element will be reviewed annually in conjunction with the preparation of the City's budget.

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